Financials

Summarised financial report

The following information is an extract from the Annual Financial Statements. Comprehensive financial information can be obtained from the complete Annual Financial Statements which can be downloaded from www.true.org.au or is available free of charge upon request to the organisation.

Consolidated statement of profit or loss and other comprehensive income

FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019	2018
		$	$
Revenue	2	9,773,958	9,440,197
Employee benefits expense		(6,522,124)	(6,340,793)
Staff associated costs		(292,815)	(239,941)
Consultancy costs		(238,478)	(289,165)
Client support and information		(119,274)	(248,298)
Occupancy costs	2(ii)	(842,284)	(855,391)
Materials and consumables		(348,627)	(231,187)
Depreciation and amortisation expense	2(ii)	(199,310)	(240,643)
Loss on disposal/sale of non-current assets		(35,794)	(273,801)
Gain/(loss) in changes in fair value of financial assets		(22,586)	113,610
Other expenses	2(ii)	(954,169)	(754,370)
Surplus (Deficit) before income tax		**198,497**	**80,218**
Income Tax expense	1(b)	-	-
Surplus (Deficit) for the year		**198,497**	**80,218**
Other Comprehensive income			
Item that will not be reclassified to profit and loss:			
Change in fair value of land and buildings		-	-
Total Other Comprehensive Income		-	-
Total Comprehensive Income		**198,497**	**80,218**

The above statement should be read in conjunction with the accompanying notes.

Consolidated statement of financial position

AS AT 30 JUNE 2019

	NOTE	2019	2018
		$	**$**
CURRENT ASSETS			
Cash and cash equivalents	3	1,371,924	1,011,025
Trade and other receivables	4	24,622	156,257
Inventories		51,612	62,813
Other current assets	5	202,932	126,320
TOTAL CURRENT ASSETS		**1,651,090**	**1,356,415**
NON CURRENT ASSETS			
Property, plant and equipment	6	1,069,182	1,116,968
Financial assets at fair value through profit or loss	7	3,717,488	3,566,210
Term Deposits		283,821	271,378
Intangible assets	8	136,489	248,268
TOTAL NON CURRENT ASSETS		**5,206,980**	**5,202,824**
TOTAL ASSETS		**6,858,070**	**6,559,239**
CURRENT LIABILITIES			
Trade and other payables	9	1,680,900	1,598,864
Interest bearing liabilities		19,558	15,916
Provisions	10	289,101	321,744
TOTAL CURRENT LIABILITIES		**1,989,559**	**1,936,524**
NON-CURRENT LIABILITIES			
Provisions	10	125,897	78,598
TOTAL NON-CURRENT LIABILITIES		**125,897**	**78,598**
TOTAL LIABILITIES		**2,115,456**	**2,015,122**
NET ASSETS		**4,742,614**	**4,544,117**
EQUITY			
Accumulated Surplus	11	4,734,352	4,535,855
Reserves	11	8,262	8,262
TOTAL EQUITY		**4,742,614**	**4,544,117**

The above statement should be read in conjunction with the accompanying notes.

Consolidated statement of changes in equity

FOR YEAR ENDED 30 JUNE 2019

	Accumulated Surplus	Reserves	Total
	$	**$**	**$**
Balance at 1 July 2017	**4,349,994**	**113,905**	**4,463,899**
Total comprehensive income for the year			
Previously reported Surplus/(Deficit) for the year	(92,805)	-	(92,805)
Reclassification of change in fair value in financial assets to profit or loss	173,023	-	173,023
Restated Surplus/(Deficit) for the year	80,218	-	80,218
Other comprehensive income	-	-	-
Total comprehensive income	80,218	-	80,218
Transfer of reserves to accumulated surplus	105,643	(105,643)	-
Balance at 30 June 2018	**4,535,855**	**8,262**	**4,544,117**
Total comprehensive income for the year:			
Surplus / (Deficit) for the year	198,497	-	198,497
Other comprehensive income	-	-	-
Total comprehensive income	198,497	-	198,497
Balance at 30 June 2019	**4,734,352**	**8,262**	**4,742,614**

The above statement should be read in conjunction with the accompanying notes.

Consolidated statement of cash flows

FOR THE YEAR ENDED 30 JUNE 2019

	NOTE	2019	2018
		$	$
Cash flows from operating activities:			
Receipts from customers		1,522,633	1,524,399
Receipts from grants		8,908,296	8,385,849
Dividends received		204,655	249,547
Interest received		15,095	13,238
Payments to suppliers and employees		(10,037,547)	(9,565,496)
Net cash provided by operating activities	**17 (b)**	**613,132**	**607,537**
Cash flows from investing activities:			
Payments for plant, property and equipment and intangibles		(88,681)	(81,673)
Proceeds from sale of Investments		351,995	2,975,810
Purchase of Investments		(519,190)	(3,200,711)
Net cash used in investing activities		**(255,876)**	**(306,574)**
Cash flows from financing activities:			
Net proceeds from borrowings		3,643	2,430
Net cash provided by financing		**3,643**	**2,430**
Net increase/(decrease) in cash held		360,899	303,393
Cash at beginning of the financial year		1,011,025	707,632
Cash at the end of the financial year	**17 (a)**	**1,371,924**	**1,011,025**

The above statement should be read in conjunction with the accompanying notes.

Notes To The Financial Statements for the Year Ended 30 June 2019

Family Planning Queensland is a public company limited by guarantee, incorporated and domiciled in Australia, and is a not-for-profit entity for the purposes of preparing the financial statements.

The consolidated financial statements are for the consolidated entity consisting of Family Planning Queensland (Company) and its subsidiaries and together are referred to as the Group.

The consolidated financial statements were approved for issue in accordance with a resolution by the Directors on 17 October 2019.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board ('AASB') and Australian Charities and Not-for-profits Commission Act 2012. The company is a not-for-profit entity for financial reporting purposes under Australian Accounting Standards. Material accounting policies adopted in the preparation of these financial statements are presented below and have be en consistently applied unless stated otherwise.

The financial statements, except for the cash flow information, have been prepared on an accrual basis and are based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. The amounts presented in the financial statements have been rounded to the nearest dollar.

(a) Principles of consolidation

The general purpose consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Family Planning Queensland) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 20.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

(b) Income tax

The Company's income is exempt from tax under the Income Tax Assessment Act (as amended).

The subsidiaries within the Group, are not exempt from tax under the Income Tax Assessment Act (as amended).

(c) Comparatives

Where necessary, comparative figures have been adjusted to conform to changes in presentation in the current financial year.

(d) Critical Accounting Estimates and Judgements

The directors' estimates and judgements incorporated into the financial report are based on historical results and the best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data from internal and external sources.

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

(e) New, revised or amending Accounting Standards and Interpretations adopted

The company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the company.

The following Accounting Standards and Interpretations are most relevant to the company:

AASB 9 Financial Instruments
The company has adopted AASB 9 from 1 July 2018. The standard introduced new classification and measurement models for financial assets. A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold assets in order to collect contractual cash flows which arise on specified dates and that are solely principal and interest. A debt investment shall be measured at fair value through other comprehensive income if it is held within a business model whose objective is to both hold assets in order to collect contractual cash flows which arise on specified dates that are solely principal and interest as well as selling the asset on the basis of its fair value. All other financial assets are classified and measured at fair value through profit or loss unless the entity makes an irrevocable election on initial recognition to present gains and losses on equity instruments (that are not held-for-trading or contingent consideration recognised in a business combination) in other comprehensive income ('OCI'). Despite these requirements, a financial asset may be irrevocably designate as measured at fair value through profit or loss to reduce the effect of, or eliminate, an accounting mismatch. For financial liabilities designated at fair value through profit or loss, the standard requires the portion of the change in fair value that relates to the entity's own credit risk to be presented in OCI (unless it would create an accounting mismatch). New simpler hedge accounting requirements are intended to more closely align the accounting treatment with the risk management activities of the entity. New impairment requirements use an 'expected credit loss' ('ECL') model to recognise an allowance. Impairment is measured using a 12-month ECL method unless the credit risk on a financial instrument has increased significantly since initial recognition in which case the lifetime ECL method is adopted. For receivables, a simplified approach to measuring expected credit losses using a lifetime expected loss allowance is available.

Impact of adoption
As a result of the application of AASB 9 the investments which represents units in a managed fund previously accounted as Available for Sale have been reclassified as Financial Assets at Fair Value through Profit and Loss (FVTPL). The company was not eligible for the election of FVOCI as the units in managed funds do not meet the definition of equity instrument. Investments are held at fair value under both FVOCI and FVTPL. As the application of this standard did not impact the financial position or performance in prior periods, no restatement have been made other than that relating to the comparatives with the transition period.

(f) Accounting Standards Issued Not Yet Effective

The AASB has issued a number of new and amended Accounting Standards and Interpretations that have mandatory application dates for future reporting periods, some of which are relevant to the Company. The directors have decided not to early adopt any of the new and amended pronouncements. Their assessment of the pronouncements that are relevant to the Company but applicable in future reporting periods is set out below:

New/revised pronouncements	Nature of change	Application date to the Company	Impact to the Company
AASB 1058 (issued December 2016) Income of Not-for-Profit Entities	AASB 1058 establishes principles and guidance when accounting for: • Transactions where the consideration to acquire an asset is significantly less than the fair value, principally to enable a NFP to further its objectives, and • The receipt of volunteer services. AASB 1058 supersedes all current income recognition requirements for private sector not-for-profit entities (NFPs), and most of the requirements for public sector NFPs currently contained in AASB 1004 Contributions.	Annual reporting periods beginning on or after 1 January 2019	The entity has determined that there will not be any material impact from the adoption of this standard.
AASB 15 Revenue from Contracts with Customers	AASB 15 establishes principles and guidance when accounting for: Transactions for the transfer of goods or services to a customer or third party beneficiary on the customer's behalf. Contracts where the consideration reflects the amount to which an entity expects to be entitled in exchange for transferring those goods or services.	Annual reporting periods beginning on or after 1 January 2019	The entity has determined that there will not be any material impact from the adoption of this standard.
AASB 16 (issued February 2016)	Under AASB 16 all leases will be recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not significantly change.	Annual reporting periods beginning on or after 1 January 2019.	As at the reporting date, the entity has non-cancellable operating lease commitments of $1,470,083 (refer Note 12). For these lease commitments the Group expects to recognise a right-of-use asset and lease liabilities of $2.4 million. Overall net assets will remain the same, however net current assets will be lower due to the presentation of a portion of the liability as a current liability.

NOTE 1: SIGNIFICANT ACCOUNTING POLICIES (CONT)

(g) Fair Values

Fair values may be used for financial asset and liability measurement as well as for sundry disclosures.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. It is based on the presumption that the transaction takes place either in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market. The principal or most advantageous market must be accessible to, or by, the Company.

(h) Impairment of Assets

At each reporting date, the directors review the carrying value of the Company's tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed in the Statement of Comprehensive Income.

Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

NOTE 2: SURPLUS / (DEFICIT)

(i) Revenue recognition

Grant revenue
Non-reciprocal grant revenue is recognised in the statement of profit and loss and comprehensive income when the entity obtains control of the grant and it is probable that the economic benefits gained from the grant will flow to the entity and the amount of the grant can be measured reliably.

If conditions are attached to the grant which must be satisfied before it is eligible to receive the contribution, the recognition of the grant as revenue will be deferred until those conditions are satisfied.

When grant revenue is received whereby the entity incurs an obligation to deliver economic value directly back to the contributor, this is considered a reciprocal transaction and the grant revenue is recognised in the statement of financial position as a liability until the service has been delivered to the contributor; otherwise the grant is recognised as income on receipt.

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Sales Revenue
Revenue from sale of goods is recognised upon the delivery of goods to customers.

Revenue from rendering services
Revenue from the rendering of a service is recognised upon the delivery of the service to the client.

Dividend
Dividend revenue is recognised when the right to receive a dividend is established.

All revenue is stated net of the amount of Goods and Services Tax (GST).

NOTE 2: SURPLUS / (DEFICIT) (CONTINUED)

	2019	2018
	$	$
Sales - pharmacy	3,247	4,499
Sales - other	23,972	22,698
Sales – resources & publications	53,508	101,658
Commonwealth and State Government Public Health Outcome Funding Agreement	7,219,773	6,877,673
Other grants	811,564	775,541
Education and training	434,405	434,580
Clinic revenue	995,817	922,570
Interest received - other persons	15,095	13,239
Donations and sponsorships	1,258	27,787
Dividend income	204,655	249,546
Other income	8,328	10,406
Net gain on disposal of property, plant and equipment	2,336	-
Total Revenue	**9,773,958**	**9,440,197**
(ii) Charging as expenses		
Cost of sales	53,718	64,431
Amortisation	64,760	114,971
Depreciation of non-current assets:		
- Freehold buildings and Leasehold improvements	79,840	76,300
- Plant and equipment	54,710	49,372
Total depreciation	**134,550**	**125,672**
Total depreciation and amortisation	**199,310**	**240,643**
Impairments and loss on disposal of property, plant & equipment	48,545	204,698
Impairments and loss on disposal of investments	-	128,516
Included in Occupancy costs:		
- Operating lease rentals	660,909	662,375
Included in Other expenses:		
- ICT migration costs, project resources, network costs	268,804	55,277

NOTE 3: CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within short-term borrowings in current liabilities on the Statement of Financial Position.

	2019	2018
	$	$
Cash at bank	63,395	18,743
Cash on hand	3,580	3,480
Cash on short term deposit	1,304,949	988,802
	1,371,924	**1,011,025**

Short term deposits are available on demand.

NOTE 4: TRADE AND OTHER RECEIVABLES

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any allowance for expected credit losses. Trade receivables are generally due for settlement within 30 days.

The consolidated entity has applied the simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance. To measure the expected credit losses, trade receivables have been grouped based on days overdue.

	2019	2018
	$	$
Trade Debtors	32,952	166,245
Less: provision for impairment	(8,330)	(9,988)
	24,622	**156,257**

NOTE 5: OTHER CURRENT ASSETS

Other receivables are recognised at amortised cost, less any allowance for expected credit losses.

	2019	2018
	$	$
Prepayments	134,762	116,277
Accrued income	63,779	5,597
Other receivables	4,391	4,446
	202,932	**126,320**

NOTE 6: PROPERTY, PLANT AND EQUIPMENT

Each class of property, plant and equipment is initially recognised at cost. Where an item of property, plant or equipment is acquired for no or nominal consideration, the item's fair value at acquisition date is deemed as its cost. Subsequent to initial recognition, each class is carried at cost or fair value, less where applicable, any accumulated depreciation and impairment losses.

Land and buildings are measured at fair value less accumulated depreciation. Any accumulated depreciation at revaluation date is eliminated against the gross carrying amount of the asset and the net amount is restated as the revalued amount of the asset. A revaluation surplus is credited to other comprehensive income (asset revaluation surplus) unless it reverses a revaluation decrease on the same asset previously recognised in profit or loss. A revaluation deficit is recognised in profit or loss unless it directly offsets a previous revaluation surplus on the same asset in the asset revaluation surplus. On disposal, any revaluation surplus relating to sold assets is transferred to retained earnings. Independent valuations are performed regularly to ensure that the carrying amounts of land and buildings does not differ materially from that the fair value at the end of the reporting period.

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

At each reporting date, the directors review a number of factors affecting property, plant and equipment, including their carrying values, to determine if these assets, grouped into cash-generating units, may be impaired. If an impairment indicator exists, the recoverable amount of the asset, being the higher of the asset's 'fair value less costs to sell' and 'value in use', is compared to the carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed in the Statement of Profit or Loss and Other Comprehensive Income as an impairment expense.

As the future economic benefits of the company's assets are not primarily dependent on their ability to generate net cash inflows, and if deprived of the asset, the company would replace the asset's remaining future economic benefits, 'value in use' is determined as the depreciated replacement cost of the asset, rather than by using discounted future cash flows.

Depreciation

The depreciable amount of all fixed assets, excluding freehold land, is either depreciated on a straight-line basis or diminishing value over their useful lives to the company commencing from the time the asset is held ready for use.

Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

Useful life for classes of assets held ranges as follows:

- Building 5 - 40 years
- Plant and equipment 3 - 12 years
- Motor Vehicles 5 years

The assets residual values and useful lives are reviewed and adjusted if appropriate at each sheet balance sheet date.

The gain or loss on disposal of all fixed assets is determined as the difference between the carrying amount of the asset at the time of disposal and the proceeds of disposal and is included in the Statement of Profit or Loss and Other Comprehensive Income in the year of disposal. When revalued assets are sold, amounts included in the revaluation reserve relating to that asset are transferred to retained earnings.

NOTE 6: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	2019	2018
	$	**$**
Land & Buildings		
Leasehold improvements – at cost	514,413	495,784
Cairns Freehold Land and Building – at fair value	540,000	540,000
	1,054,413	1,035,784
Less: Accumulated depreciation	(231,624)	(151,784)
Total Land and Buildings	**822,789**	**884,000**
Plant & Equipment		
Cost	560,154	468,273
Less: Accumulated depreciation	(340,762)	(293,829)
Total Plant & Equipment	**219,392**	**174,444**
Motor Vehicles		
Cost	70,794	91,864
Less: Accumulated depreciation	(43,793)	(60,040)
Total Motor Vehicles	**27,001**	**31,824**
Assets Under Construction – at cost	-	**26,700**
Summary – All assets		
At cost	1,145,361	1,082,621
At fair value	540,000	540,000
Less: Accumulated depreciation	(616,179)	(505,653)
Written down value	**1,069,182**	**1,116,968**

NOTE 6: PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

Movement in the carrying amounts between the beginning and the end of the financial year for property plant and equipment.

2019	Land and buildings	Assets under construction	Plant and equipment	Motor Vehicle	Total
	$	$	$	$	$
Balance at the beginning of year	884,000	26,700	174,444	31,824	1,116,968
Additions	18,629	-	70,052	-	88,681
Transfers	-	(26,700)	26,700	-	-
Disposals	-	-	(1,526)	(391)	(1,917)
Depreciation and impairment expense	(79,840)	-	(50,278)	(4,432)	(134,550)
Carrying amount at the end of the year	**822,789**	**-**	**219,392**	**27,001**	**1,069,182**

2018	Land and buildings	Assets under construction	Plant and equipment	Motor Vehicle	Total
	$	$	$	$	$
Balance at the beginning of year	927,753	-	224,481	37,063	1,189,297
Additions	32,991	26,700	5,157	-	64,848
Transfers	-	-	-	-	-
Disposals	(444)	-	(11,061)	-	(11,505)
Depreciation and impairment expense	(76,300)	-	(44,133)	(5,239)	(125,672)
Carrying amount at the end of the year	**884,000**	**26,700**	**174,444**	**31,824**	**1,116,968**

NOTE 7: FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Fund has applied the practical expedient, the company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)*
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss*.

*These are the financial assets most relevant to the company.

Financial assets at amortised cost (debt instruments)
The company measures financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The company's financial assets at amortised cost includes receivables. Refer to Note 4 for further details.

Financial assets at fair value through profit or loss
The company's financial assets at fair value through profit or loss include financial assets mandatorily required to be measured at fair value. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the profit or loss based on the exit price as reported by the managers of the trusts.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Fund's statement of financial position) when:

- The rights to receive cash flows from the asset have expired or
- The company's has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement and either (a) the Fund has transferred substantially all the risks and rewards of the asset, or (b) the Fund has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the company has retained.

	2019	2018
	$	$
Financial assets at fair value through profit or loss	3,717,488	3,566,210

NOTE 8: INTANGIBLES

Development expenditure incurred on an individual project is capitalised if the product or service is technically feasible, adequate resources are available to complete the project, it is probable that future economic benefits will be generated and expenditure attributable to the project can be measured reliably. Expenditure capitalised comprises costs of materials, services, direct labour and an appropriate portion of overheads. Other development costs are expensed when they are incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and any impairment losses and amortised over the period of expected future sales from the related projects which vary from 3 - 5 years. The carrying value of development costs is reviewed annually when the asset is not yet available for use, or when events or circumstances indicate that the carrying value may be impaired.

	2019	2018
	$	$
Software Systems	343,027	453,193
Less: Accumulated amortisation	(206,538)	(204,925)
Written down value	**136,489**	**248,268**

Movement in Carrying Amounts:		
Balance at the beginning of year	248,268	540,268
Additions	-	17,546
Disposals	(47,019)	(194,575)
Depreciation and impairment expense	(64,760)	(114,971)
Carrying amount at the end of the year	136,489	248,268

NOTE 9: TRADE AND OTHER PAYABLES

Trade and other payables represent liabilities for goods and services provided to the Group prior to the year-end and which are unpaid. These amounts are unsecured and have 30-60 day payment terms.

Unsecured liabilities:		
Trade Creditors	35,766	104,743
Goods and services tax liability	143,801	136,565
Employee tax	74,766	71,280
Fees received in advance	26,876	35,880
Grants received in advance	415,632	461,616
Annual leave	458,491	414,890
Other creditors and accrued expenses	525,568	373,890
	1,680,900	**1,598,864**

NOTE 10: PROVISIONS

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date as follows:

Short-term employee benefits provisions

Provision is made for the Company's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at the amounts expected to be paid when the liability is settled, plus related on-costs.

Long-term employee benefits provisions

The Company's net obligation in respect of long-term service benefits, other than obligations under the Company's defined benefits superannuation fund, is the amount of future benefit that employees have earned in return for their service in the current and prior periods. The obligation is calculated using the projected unit credit method and is discounted to its present value and the fair value of any related assets is deducted. The discount rate is the yield at the balance sheet date on corporate bonds that have maturity dates approximating to the terms of the company's obligations.

	2019	2018
	$	$
Provisions - Current		
Employee benefits:		
- Long service leave	283,996	318,054
- Other	5,105	3,690
	289,101	**321,744**
Provisions - Non-Current		
Long-term employee benefits	125,897	78,598
	414,998	400,342

NOTE 11: ACCUMULATED SURPLUS AND RESERVES

Accumulated Surplus at the beginning of the year	4,535,855	4,349,994
Surplus/(deficit) for the year	198,497	80,218
Transfer from reserves		105,643
Accumulated Surplus at the end of the financial year	**4,734,352**	**4,535,855**

Asset Revaluation Reserve		
Balance at the beginning of the year	8,262	8,262
Revaluation of land and buildings	-	-
Balance at the end of the financial year	**8,262**	**8,262**

NOTE 11: ACCUMULATED SURPLUS AND RESERVES (CONTINUED)

	2019	2018
	$	$
Financial assets at fair value through other comprehensive income		
Balance at the beginning of the year	-	105,643
Transfer to Accumulated Surplus	-	(105,643)
Balance at the end of the financial year	-	-
Total Reserves	**8,262**	**8,262**

NOTE 12: COMMITMENTS

Aggregate amount contracted for but not capitalised in the financial statements

Operating leases:		
Not later than 1 year	765,424	638,471
Later than 1 year but not later than 5 years	704,659	1,167,332
Later than 5 years	-	10,776
	1,470,083	**1,816,479**

Commitments due and payable under current operating lease agreements relate to premises at Windsor, Gold Coast, Sunshine Coast, Toowoomba, Rockhampton, Bundaberg and Ipswich.

NOTE 13: AUDITOR'S REMUNERATION

Amounts received or due and receivable by the auditors for:		
Auditing the financial statements	31,000	30,000
Other services	9,500	9,000
Non-audit services	-	-
	40,500	**39,000**

NOTE 14: KEY MANAGEMENT PERSONNEL COMPENSATION

	Salary & Fees	Super-annuation	Non-cash Benefits	Total
	$	$	$	$
2019	620,147	56,993	68,311	**745,451**
2018	723,670	62,696	103,842	**890,208**

Non-director members of Family Planning Queensland Key Management Personnel during 2018-2019 are:

Employee Name	Position Held
Alice Evans	Chief Executive Officer (CEO)
Monique Belousoff	General Manager Stakeholder Engagement
Svend Kling	Chief Financial Officer (CFO)
Sharon Stokell	Business Manager Clinical Service

Under the Company's Constitution no Director is permitted to receive fees or a salary from the Company. The names of the Company Directors who have held office during the financial year are:

Bob Van Beusekom	Donna Bonney
Clare Boothroyd	Julia Duffy
Tania Hillman	Robert Edwards (Resigned 20/11/18)
Giuseppe Taddeo	Natalie Bain
Clare Maher	Christine Ip (Appointed (04/04/19)

NOTE 15: FUNDING OF OPERATIONS

The Group is economically dependent upon funding from the Queensland State Government. As detailed in Note 2, this income amounted to $8,031,337 for the year ended 30 June 2019 (2018: $7,653,214). The Directors are confident that there is not likely to be any material change in State Government funding in the foreseeable future with Funding agreements in place through to 30th June 2021.

NOTE 16: MEMBERS' GUARANTEE

The Company is limited by guarantee. If the Company is wound up, the constitution states that each member is required to contribute a maximum of $40 towards meeting any outstanding obligations of the Company. At 30 June 2019 the number of members was 86.

NOTE 17: CASH FLOW STATEMENTS

(a) Reconciliation of Cash

For the purposes of the statement of cash flows, cash includes cash on hand and cash at bank. Cash at the end of the financial year as shown in the Statement of Cash Flows is reconciled to the related items in the Statement of Financial Position as follows:

	2019	2018
	$	$
Cash on hand	63,395	3,480
Cash at bank	3,580	18,743
Cash on deposit	1,304,949	988,802
Cash Flows Presented on a Net Basis	**1,371,924**	**1,011,025**

Cash flows arising from deposits in and withdrawals from savings, money market and other deposits are presented on a net basis in the Statement of Cash Flows

(b) Reconciliation of Net Cash provided by Operating Activities to Operating Surplus/(Deficit)

Operating surplus/(Loss)	198,497	80,218
Net (Profit)/Loss on sale of assets including impairments	55,018	334,597
Change in fair value of financial asset through profit or loss	9,835	(173,023)
Non-cash flows in operating result:		
Amortisation	64,760	114,971
Depreciation	134,550	125,672
Changes in provisions		
- Annual leave	43,601	41,289
- Long service leave	14,655	(24,561)
Changes in assets and liabilities:		
(Increase)/decrease in receivables	61,065	(167,638)
(Increase)/decrease in stock	11,201	(35,817)
(Increase)/decrease in prepaid expenses	(18,485)	(21,588)
Increase/(decrease) in payables	38,435	333,417
Cash flows provided by/(used in) operations	**613,132**	**607,537**

NOTE 18: FINANCIAL INSTRUMENTS

Overall Policies

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. For the company, this arises on cash balances and term deposit investments.

Interest rate risk is managed by maintaining a term deposit for a relevant term to achieve the highest possible interest rate. No specific financial instruments such as interest rate hedges are considered necessary for the company's bank debt as the exposure to risk is not considered material.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. For the company this arises from exposures to customers. The company does not have any material credit risk exposure to any single debtor or group of debtors under financial instruments entered into by the association.

The maximum exposure to credit risk, excluding the value of any collateral or other security, at balance date to recognised financial assets, is the carrying amount of trade and other receivables, net of any provisions for impairment of those assets, as disclosed in the balance in the balance sheet and notes to the financial statements.

Credit risk is managed and reviewed regularly by the board of directors through the Company's Audit and Finance Committee and the CEO.

Liquidity risk

Liquidity risk is the risk that the company may encounter difficulties raising funds to meet commitments associated with financial instruments.

It is the policy of the board of directors that the company maintains adequate cash reserves so as to meet financial commitments when required.

The company manages liquidity risk by regularly monitoring actual cash flows and long term forecasted cash flows.

Investment Portfolio

An investment portfolio of $3,000,000 was established on 1 July 2015 and is managed by Perpetual Trustee's pursuant to a Board Investment Policy. Both capital growth and investment income will be re-invested into the fund annually and it is the Board's intent that this become a future fund to support the objects of Family Planning Queensland.

NOTE: 18 FINANCIAL INSTRUMENTS (CONTINUATION)

Financial instrument maturity analysis

	Weighted Average Interest Rate		Floating Interest Rate		Non-Interest Bearing		Total	
	2019	**2018**	**2019**	**2018**	**2019**	**2018**	**2019**	**2018**
			$	**$**	**$**	**$**	**$**	**$**
Financial assets - Amortised Cost								
Cash at Bank	2.00% - 3.00%	2.00% - 3.00%	1,368,344	1,007,545	-	-	1,368,344	1,007,545
Cash on Hand			-	-	3,580	3,480	3,580	3,480
Trade and Other Receivables			-	-	24,622	156,257	24,622	156,257
Term Deposits			283,821	271,378	-	-	283,821	271,378
Total financial assets – Amortised Cost			**1,652,165**	**1,278,923**	**28,202**	**159,737**	**1,680,367**	**1,438,660**
Financial Assets – Fair value through profit or loss								
Investments			3,717,488	3,566,210	-	-	3,717,488	3,566,210
Total Financial Assets – Fair Value through profit or loss			**3,717,488**	**3,566,210**	**-**	**-**	**3,717,488**	**3,566,210**
Financial liabilities – Amortised Cost								
Trade and Other Payables			-	-	709,901	686,478	709,901	686,478
Borrowings		-	19,558	15,916	-	-	19,558	15,916
Total financial liabilities – Amortised Cost			**19,558**	**15,916**	**709,901**	**686,478**	**729,459**	**702,394**

NOTE: 18 FINANCIAL INSTRUMENTS (CONTINUATION)

Financial instrument maturity analysis

The table below reflects the undiscounted contractual settlement terms for financial instruments of a fixed period of maturity, as well as management's expectations of the settlement period for all other financial instruments. As such, the amounts may not reconcile to the statement of financial position.

Trade and sundry payables are expected to be paid as follows:	2019	2018
Trade payables	$	$
Less than 6 months	35,766	104,743
6 months to 1 year	-	-
	35,766	104,743
Sundry payables		
Less than 6 months	744,135	581,735
6 months to 1 year	-	-
	744,135	581,735
Bank loans are expected to be paid as follows:		
Bank loans		
Less than 1 year	19,558	15,916
One to Two years	-	-
	19,558	**15,916**

Market risk

Market risk arises from the use of interest bearing and tradeable financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), and other market factors (other price risk).

The company invests in publicly traded investments and in doing so it exposes itself to the fluctuations in price that are inherent in such a market. Any investment decisions must be approved by the board. To limit its market risk, the company holds a diversified portfolio and the Board makes investment decisions on advice from professional advisors.

Sensitivity analysis

Interest rate risk
No sensitivity analysis has been performed for interest rate risk, as the effect of the interest rate fluctuations on the cash balances are considered not material.

Other price risk
A movement in market prices of 5% would affect net equity on the company by approximately $187,000 being the balance of investments of $3,717,488 at 30 June 2019.

NOTE 19: FAIR VALUE

Land and buildings and investments are recognised and measured at fair value on a recurring basis. There are no assets or liabilities which are measured at fair value on a non-recurring basis.

Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed are categorised according to the fair value hierarchy as follows:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Inputs for the assets or liability that are not based on observable market data (unobservable inputs). Recognised fair value measurements.

The following table sets out the consolidated entity's assets and liabilities that are measured and recognised at fair value in the financial statements.

	Level 1	Level 2	Level 3	Total
	$	$	$	$
2019				
Investments	3,717,488	-	-	3,717,488
Land and Buildings	-	-	540,000	540,000
2018				
Financial assets through profit or loss	3,566,210	-	-	3,566,210
Land and Buildings	-	-	540,000	540,000

Valuation processes for Level 3 fair values

The entity engages an external, independent and qualified valuers to determine the fair value of the company's property every 3 years.

NOTE 20: INTEREST IN SUBSIDIARIES

The Group's subsidiaries that were controlled during the year and prior year are set out below:

Subsidiaries	Principal place of business / Country of Incorporation	Percentage Owned (%)	
		2019	2018
Curae Technology Pty Ltd	Australia	100%	100%
Curae Technology Holdings Pty Ltd	Australia	100%	100%

NOTE 21: PARENT DISCLOSURES

The parent and ultimate parent entity within the Group is Family Planning Queensland.

(a) Summary financial information

The individual financial statements for the parent entity show the following aggregated amounts as follows:

	2019	2018
	$	$
Current assets	1,596,671	1,530,294
Non-current assets	5,206,980	5,202,823
Total assets	6,803,651	6,733,117
Current liabilities	1,970,103	1,936,524
Non-current liabilities	125,896	78,598
Total liabilities	2,095,999	2,015,122
Net Assets	**4,707,652**	**4,717,995**
Accumulated surplus	4,699,390	4,709,733
Reserves	8,262	8,262
Total equity	**4,707,652**	**4,717,995**

Surplus/(deficit) for the year	**(10,341)**	**254,096**
Total comprehensive income for the year	**(10,341)**	**254,096**

(b) Guarantees

The parent entity has not provided any guarantees to third parties in relation to the obligations of controlled entities.

(c) Contractual commitments

There were no contractual commitments for the acquisition of property, plant and equipment entered into by the parent entity at 30 June 2019 (2018: $Nil).

(d) Contingent liabilities

The parent entity has no contingent liabilities at reporting date (2018: $Nil).

(e) Recognition and measurement

The financial information for the parent entity has been prepared on the same basis as the consolidated financial statements, except as set out below:

(f) Investments in subsidiaries and associates

Investments in subsidiaries and associates are accounted for at cost in the financial statements of Family Planning Queensland.

NOTE 22: COMPANY INFORMATION

Registered office and principal place of business of the company is:

- 230 Lutwyche Road, Windsor, Qld, 4030.

NOTE 23: EVENTS AFTER THE BALANCE SHEET DATE

There are no relevant events that the Group is required to report after the balance sheet date.

True locations

Brisbane

230 Lutwyche Road
Windsor Q 4030
(PO Box 215 Fortitude Valley Q 4006)

Clinic:
07 3250 0200
clinicreception@true.org.au

Education/Admin:
07 3250 0240
info@true.org.au

Cairns

Ground Floor, Solander Centre
182 Grafton Street
(PO Box 1678)
Cairns Q 4870

Clinic:
07 4051 3788
cnsadmin@true.org.au

Education:
07 4031 2232
cairnseducation@true.org.au

Cairns Sexual Assault Service:

07 4031 3590
csas@true.org.au

True Family and Child Service:

07 4031 3590
childandfamily@true.org.au

Gold Coast

(Education services only)

Level 15, Corporate Centre One
2 Corporate Court
Bundall Q 4217
(PO Box 1733 Southport Q 4215)

Education:
07 5531 2636
gcoastedu@true.org.au

Ipswich

Shop 5, 54 Limestone Street
(PO Box 429)
Ipswich Q 4305

Clinic:
07 3281 4088
ipsadmin@true.org.au

Education:
07 3281 4088
ipswicheducation@true.org.au

Rockhampton

Glenmore Shopping Village
10-11/301 Farm Street
Norman Gardens Q 4701
(PO Box 3198 Red Hill
Rockhampton Q 4701)

Clinic:
07 4927 3999
rckadmin@true.org.au

Education:
07 4921 3655
cqeducation@true.org.au

Toowoomba

Level 1, 661 Ruthven Street
(PO Box 3361 Village Fair Q 4350)
Toowoomba Q 4350

Clinic:
07 4632 8166
twbadmin@true.org.au

Education:
07 4632 8166
toowoombaedu@true.org.au

Additional education services located in Bundaberg and on the Sunshine Coast.

Rural and Remote clinics

Agnes Water

Discovery Coast Community Health Centre
2 Rafting Ground Rd
Agnes Water Q 4677

Augathella

Augathella Hospital
Cavanagh St
Augathella Q 4477

Bowen

Bowen Hospital
59 Gregory St
Bowen Q 4805

Clermont

Clermont Multi-Purpose Health Service
2 Lime St
Clermont Q 4721

Collinsville

Collinsville Multi-Purpose Health Service

81-91 Garrick Street
Collinsville Q 4804

Dysart

Dysart Hospital
28 Queen Elizabeth Drive
Dysart Q 4745

Hughenden

Hughenden Multi-Purpose Health Service
Richmond Hill Drive
Hughenden Q 4821

Julia Creek

McKinlay Shire Multi-Purpose Health Service
1 Burke Street
Julia Creek Q 4823

Mitchell

Mitchell General Hospital
95 Ann Street
Mitchell Q 4465

Moura

Moura Community Hospital
14 Nott Street
Moura Q 4718

Quilpie

Quilpie Medical Practice
30 Gyrica St
Quilpie Q 4480

Richmond

Richmond Hospital/ Richmond Health Service
Gallagher Drive
Richmond Q 4822

Texas

Texas Multi-Purpose Health Service
Lot 1 Mingoola Rd
Texas Q 4385

Thargomindah

Thargomindah Community Clinic
Dowling Street
Thargomindah Q 4492

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